STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE: QWEST CORPORATION	DOCKET NO. WRU-01-52-272

ORDER GRANTING WAIVER

(Issued November 28, 2001)

On November 1, 2001, Qwest Corporation (Qwest) filed with the Utilities Board
(Board) a request for waiver of Iowa Code §§ 476.76 and 476.77 (2001) and
199 IAC 32.8 with respect to the proposed sale and transfer of some of Qwest's
out-of-state assets located in Minnesota, New Mexico, and Nebraska.

On October 24, 2001, Qwest entered into an agreement with a subsidiary of
Commercial Realty Investment Company, L.L.C., to sell properties in the
aforementioned states. The properties serve as general administrative office space
and one property also serves as a central office. Qwest will continue to occupy,
operate, and maintain these facilities and does not believe there will be any impact
on customer service in any of these states.

Iowa Code §§ 476.76 and 476.77 and 199 IAC 32.8 require public utility
reorganizations to be submitted to the Board for review or approval. Iowa Code
§ 476.76 defines a reorganization to include the acquisition, sale, lease, or any other
disposition, directly or indirectly, including merger or consolidation, of the whole or
any substantial part of a public utility's assets. Iowa Code § 476.77 provides that the

Board may adopt rules which exempt a public utility from the filing requirements of

that section if the Board finds review is not necessary in the public interest. The

Board promulgated rules regarding reorganizations, including waivers or exemptions,

in 199 IAC 32. The standards for review of a request for a waiver in § 476.77

indicate the important question is the effect of the acquisition or sale on the utility's

ratepayers and the public interest. The Board stated when adopting an amendment

to chapter 32, that waivers will be liberally granted where the proposed

reorganization has minimal or no impact on Iowa ratepayers. "Order Adopting

Rules," In re: Disposal of a Public Utility's Assets, Docket No. RMU-91-2 (April 24,

1992).

Because this transaction of Qwest assets is a sale-leaseback of primarily

administrative facilities outside of Iowa, with no impact on service provisioning, there

should not be any detrimental effect on Qwest's Iowa customers or service.

To grant the waiver, the Board must also find, based upon clear and

convincing evidence, that the request meets the four criteria in 199 IAC 1.3. The four

criteria are: 1) the application of the rule would cause undue hardship, 2) the waiver

would not prejudice the substantial legal rights of any person, 3) the provisions of the

rule are not specifically mandated by statute, and 4) substantially equal protection of

public health, safety, and welfare will be afforded by a means other than prescribed

by the rule.

The Board finds that a waiver of Iowa Code §§ 476.76 and 476.77 and

199 IAC 32.8 should be granted based on the Board's review of the information

provided by Qwest in its pleading. The Board finds it would be an undue hardship for

Qwest to meet the filing requirements of 199 IAC 32 for this sale, since the sale will

have minimal or no effect on Iowa ratepayers and review of the reorganization is not

necessary in the public interest.

The Board also finds that the waiver will not affect the substantial legal rights

of any person and that Iowa Code § 476.77 specifically allows for the waiver of the

Board's rules. Additionally, the Board finds that substantially equal protection of the

public health, safety, and welfare will be afforded since none of the assets being

transferred by the sale are in Iowa and the sale will not affect Iowa ratepayers.

IT IS THEREFORE ORDERED:

The waiver request filed by Qwest Corporation on November 1, 2001, is

granted. The application of Iowa Code §§ 476.76 and 476.77 (2001) and

199 IAC 32.8 to the sale and transfer of Qwest's proposed out-of-state properties is

waived.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 28th day of November, 2001.